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cc: Wayne

**Hub Research & Development Co., Inc.**

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March 30, 2011

Mr. Paul Baker  
Mr. Wayne Western  
State of Utah Department Of Natural Resources  
Division of Oil Gas and Mining  
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Dir Sirs,

Pursuant to the division correspondence received by our office and the subsequent conversation held between Mr. Paul Baker and myself, concerning the Miller Rock Mine site reclamation bond that is currently under review, wherein certain division concerns have been expressed or raised.

The intention of this letter is to address the divisions concerns as stated, as well as to provide an update to the division on the progress of reclamation work that was initiated at the Miller Rock Mine site this past fall, intended to further reduce the size of our operational foot print, thus reducing the total area of disturbance covered under the current bonds coverage.

I herein address the divisions concerns raised upon review of the (Denning Construction) bid reclamation proposal in writing, as requested by Mr. Baker.

**Mobilization and De-Mobilization**, this is indeed a valid concern. I was informed by the contractor that this cost would be included in the submitted proposal. However, upon subsequent review of my retained copy of this proposal, I could find no specific area that provided such a value to be entered on the supplied form. This leads me to believe that I may be missing a page that should have been included in the proposal. I apologize, and will look into this matter and will report my findings accordingly.

**Re-Vegetation** areas were calculated by the contractor for the areas that he felt would naturally accept seeding. Not all of the areas within the disturbed acreage would require seeding such as the numerous areas of mesa top sandstone. Historically, the areas that will accept seed naturally will reseed themselves annually, if and when allowed to do so.

**Equipment Removal** as stated by the contractor would be conducted by the operator. This is indeed a correct assertion. The process of removing visible surface equipment as stated above began last year and will resume as area weather conditions permit. All surface equipment shall hence fourth be removed and stored off site when not in use.

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**Additional Hauling Equipment**, the contractor's reclamation plan did not require the need of a dump truck as stated, due to the short distance required for the remaining material to be relocated.

I appreciate all the division's kind help in this matter as well as understanding. We are indeed a small company with limited revenue, these reclamation assessments were compiled and presented in good faith by independent contractor, based upon their own independent experience and or expertise, specifically estimated and based upon their individual findings for the reclamation of this site.

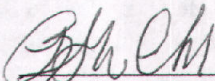
We have mined and maintained this area for over eighty years now and have collectively limited our impact to the same small areas of disturbance seen today.

I hope to have an answer for the absentee "Mobilization / De-Mobilization" values in the submitted form and will report these findings back to the division as quickly as possible.

If you have any questions concerning any of the above matters, please feel free to contact me directly, at the above numbers between the hours of 8:30 AM to 4:00 PM Monday thru Friday.

I again apologize for the oversight and appreciate your patients in this matter..

Sincerely,



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Bret W. Clark  
President